Welcome and introductory remarks

Sara Fyson, Counsellor of the OECD Directorate for Public Governance and Head of the Policy Coherence for Sustainable Development (PCSD Unit), opened the meeting by welcoming all participants to the 16th Meeting of National Focal Points for Policy Coherence. The meeting was open to government officials only and focused on discussing the draft Recommendation of the Council on Policy Coherence for Sustainable Development [SG/PCD(2018)2/REV1], as well as the importance of integrated financing for sustainable development, budgeting and access to justice for all for the implementation of the Sustainable Development Goals (SDGs).

In an introductory roundtable discussion, participants presented progress on SDG implementation in their countries, highlighting the role of policy coherence for sustainable development in their respective national efforts. Participants emphasised the importance of policy coherence for achieving the SDGs as well as the different institutional approaches and reforms adopted throughout the OECD to promote PCSD, building—amongst others—on the experience gained in promoting policy coherence for development (PCD) over the last decades.

Session 1. Enhancing the quality, relevance and scope of the draft Recommendation of the Council on Policy Coherence for Sustainable Development

Ernesto Soria Morales, OECD PCSD Unit, presented the draft Recommendation on PCSD recalling the background and rationale for updating the instrument; providing details on how the draft Recommendation has evolved over the last months; as well as informing about the consultation process. The draft Recommendation complements the three original elements (political commitment, coordination and monitoring) defined in the 2010 Recommendation with additional elements on long-term planning horizons, policy integration, assessment of policy effects, regional and local involvement, and stakeholder engagement; as well as a new element on financing for sustainable development, added to harmonise approaches with UN Environment, the custodian agency for SDG Target 17.14 on "enhancing policy coherence for sustainable development", and reduce reporting burden for governments. The draft Recommendation was prepared based on the feedback provided by Members in particular on introducing more flexible language to avoid the impression of a prescriptive, one-size-fits-all approach and highlighting the role of PCD for PCSD and SDG implementation. To support countries in implementing the draft Recommendation, it will be complemented by practical guidance, an online toolkit and country profiles to highlight good practices. Written comments on the revised draft are expected by the end of February, after which a revised draft will be circulated for consultation with all relevant committees, including the DAC, PGC and RPC. Following internal discussions within the OECD, the draft Recommendation will be opened for public consultation, seeking input from a wide range of stakeholders, including relevant UN agencies and members of the PCSD Partnership.
Participants welcomed the integration of their comments from previous meetings of the DAC, PGC and Focal Points into the draft Recommendation and expressed their support for going forward with the proposal. They asked the Secretariat to revise the draft to enhance communicability, improve coherence of the document, and streamline the narrative. The next draft should be shorter, avoid repetitions, and integrate participants’ comments on an improved structure. Participants also appreciated the introduction of more flexible language to avoid the impression of a one-size-fits-all approach, with one delegate expressing reservations on a few provisions highlighting roles for specific institutions that might not be applicable to some states. Participants further underlined the important contribution of PCD for PCSD, pointing out that the inclusion of definitions to clarify concepts would help make the draft Recommendation more palatable to a broader audience. They welcomed a broad internal and public consultation, seeking input on whether the draft Recommendation would be discussed by relevant OECD committees beyond the PGC and DAC. The Secretariat was further asked to clarify the responsibilities of different OECD Committees or other bodies for reviewing progress on the implementation of the Recommendation in the future.

Sara Fyson, OECD PCSD Unit, pointed out that the Recommendation will be complemented by practical guidance that will include more specific aspects, including country practices. She highlighted the importance of using existing mechanisms for monitoring the Recommendation, once adopted, and underlined that the discussions in various Committees as well as the Focal Points Meeting will help to identify the best way forward, considering the horizontal nature of the initiative.

Session 2. Financial resources for sustainable development

Haje Schütte and Cushla Thompson, OECD Development Co-operation Directorate/Financing for Sustainable Development, gave a presentation on Financing for Sustainable Development (FSD), highlighting the urgency to improve the measurement of financials needs, flows and impacts; to adapt regulations to make them more SDG-friendly and to mobilise additional financial resources ("shift[ing] millions to trillions"); as well as to foster coordination between all actors. To rise to the challenge, a whole-of-government approach is required, linking policies, analysis of financing needs and financing more closely together.

Participants welcomed the clear explanation and expressed their interest in addressing coherence issues in financing in the draft Recommendation. Canada and Ireland provided kick-off remarks to highlighting the numerous challenges related to Financing for Sustainable Development. Challenges in coordinating financial flows and issues such as trade, corruption, investment, debt and natural resource management, as well as the tax system were described as key issues. Citing other bodies and organisations tackling the discussed challenges, a couple of participants expressed reservations on addressing financing in the recommendation and asked for more clarification on the financing element of the draft Recommendation. They welcomed the collaboration of the Development Co-operation Directorate with other parts of the OECD to address the issue, including the Center for Tax Policy and Administration, and their input to the United Nations Economic and Social Council (ECOSOC).

Session 3. Leveraging budget processes as a tool of policy integration and coherence

Ernesto Soria Morales, OECD PCSD Unit, introduced the session by providing examples of mechanisms that countries use to integrate the SDGs and policy coherence measures into their policies. A good emerging practice is to use the budget as a mechanism to align sectoral programmes to the SDGs. Half of the OECD countries that have presented VNRs so far, reported that they linked their national budget to the SDGs or that they are taking measures to do so.

Juliane Jansen, OECD Public Governance Directorate/Budgeting and Public Expenditure Division, continued the session with a presentation on budget processes as a tool for PCSD, illustrating how aligning budgeting with policy priorities can increase coherence in SDG implementation. The budget can help to: i) integrate the a coherent SDG-vision into government policies going beyond the electoral cycle; ii) create a framework to inform and help manage trade-offs and complementarities; iii) assess overall government's performance; (iv) increase accountability; (v) improve the availability of internationally comparable data; (v) prioritise budget proposals; and (vi)
ensure greater coherence on key priorities. To achieve results, evidence from OECD Members suggests that countries should align budgets with the SDGs across all of the budget cycle: budget planning and formulation, budget approval, budget execution and budget oversight. This can be done through existing tools such as medium-term budgetary planning, performance setting, ex-ante impact and needs assessments, parliamentary oversight, programme monitoring, expenditure tracking, ex-post evaluations, auditing and spending reviews, amongst other tools. Further information on such tools, including on green and gender budgeting, is available on the division's website.

**Participants** expressed strong support for the work on SDG budgeting, emphasising the importance of the budget for improving policy coherence and successfully implementing the 2030 Agenda. Following kick-off presentations by Finland and Norway, participants highlighted the need to adapt existing budgetary frameworks more closely to the SDGs, with some representatives mentioning the possibility of a specific cross-sectoral SDG budget to break the silo approach that still prevails in many institutional settings.

**Session 4. Enhancing policy coherence for achieving equal access to justice and leaving no one behind**

This session was chaired by Carina Lindberg, OECD PCSD Unit. She noted the importance of exploring synergies between PCSD and other areas of expertise in the Public Governance Directorate, one of them being access to justice. When provided in a coherent and co-ordinated manner, effective access to justice and legal services can have benefits far beyond its core objectives, from education and health to housing and the environment.

Tatyana Teplova, OECD Public Governance Directorate/Gender, Justice and Inclusiveness, presented how access to justice for all can foster prosperity and sustainable development, as described by SDG Target 16.3. Closing the global justice gap that affects over five billion people worldwide contributes to a range of other targets, including education, health, employment, housing, policy and regulatory performance, trust in government, gender equality and well-being. The justice gap (the number of people who have justice needs and who are not able to obtain justice) currently affects over 5 billion people. Evidence shows that 1,485 billion people cannot obtain justice for everyday civil, administrative or criminal justice problems; 4,423 billion people are excluded from the opportunities the law provides, including people without a legal identity, in the informal economy, or without proof of their housing and land rights; as well as 244 million people who live in extreme conditions of injustice. Their lack of access to justice can lead to a vicious cycle of decline and marginalisation. Vulnerable groups include people with disability, single parents, unemployed, people in social housing and small business owners in particular. To tackle the challenge, countries should shift to more coherent and integrated policy approaches that promote people-centred, coordinated and cross-sectoral policies on justice for all.

**Participants** agreed that access to justice is all too often overlooked in terms of promoting sustainable development, despite being a crucial topic. They welcomed how the presentation showed that promoting PCSD, including through better policy coordination and integration, is a good way to achieve many of the goals by harnessing synergies and addressing trade-offs between different SDG Targets, including on equal access to justice.

**Next steps**

Sara Fyson, OECD PCSD Unit, remarked that the draft Recommendation will be revised according to the comments of the participants. Its narrative and language will be streamlined to allow for better communication of the Recommendation to a wider audience. There might be an opportunity for another meeting of the Focal Points prior to, or in the margins of, the UN High-Level Political Forum (HLPF) in July 2019. In addition, the timeline of the adoption of the Recommendation will be adjusted to allow more time for broad public consultation. The HLPF will also see the launch of the Global Hub for the Governance of SDGs, currently being developed by the OECD Directorate for Public Governance. The SDG Hub will offer countries practical support, including on PCSD, to strengthen their public governance practices for effective SDG implementation.